



**STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY**

Richard S. Cordrey
Secretary of Finance

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SECRETARY CORDREY ANNOUNCES INVESTIGATION

Dover – State Secretary of Finance Richard S. Cordrey announced today that he has asked the Delaware State Police to investigate a suspected irregularity in the Department's unclaimed property refund section. After receiving an anonymous tip from the State Auditor's Office, Secretary Cordrey ordered two separate audits – one of which is to be conducted by experts outside of state government. Secretary Cordrey also requested an investigation to determine if any unlawful conduct has occurred in this section and to immediately stop the processing of such claims until questions surrounding this issue are resolved.

Along with ordering the investigation, Secretary Cordrey took the following actions:

- Suspension of all refund claim payments in this area until the questions surrounding this issue can be answered.
- Contacted the State Police to review the Department's preliminary findings and requested they investigate any criminal activity that may have occurred.
- Assigned to this specific section a senior management staff person from outside the Division of Revenue who has experience in reviewing, evaluating and suggesting improvements to processes and procedures.
- Requested the services of a national accounting firm perform an on-site review of the current procedures and workflow and make recommendations for improvement.
- Contacted the State Auditor's Office to update them that this issue has been turned over to the State Police and requested that their office share any other pertinent information about this situation with the State Police, which they have agreed to do.

"While we wanted to notify the public about this matter when we contacted the Delaware State Police, we did not want to do anything that could undermine or jeopardize an ongoing criminal investigation. It is critical that the citizens of Delaware have absolute confidence in the integrity of our revenue collection and processing systems. The personnel in the Department of Finance will work very closely with law enforcement to conclude the investigation," said Secretary Cordrey.